

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

246M0455

## HOUSE BILL NO. 1076

Introduced by: Representatives Dykstra, Brunner, Dennert, Frysliie, Garnos, Halverson, Howie, Klaudt, Lange, Sigdestad, Tidemann, and Vehle and Senators Bartling, Broderick, Duenwald, Hanson (Gary), Koskan, McNenny, and Moore

1 FOR AN ACT ENTITLED, An Act to increase the amount of funding for conservation purposes  
2 from certain unclaimed motor fuel tax refunds.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-47B-154 be amended to read as follows:

5 10-47B-154. The Legislature finds that not all motor fuel taxes which qualify for the  
6 nonhighway agricultural motor fuel tax refund are, in fact, refunded under the procedure set  
7 forth in this chapter. The Legislature further finds that a certain amount of these unclaimed tax  
8 refunds from the sale of motor fuel for nonhighway agricultural uses should be ~~utilized~~ used for  
9 agricultural purposes in a manner which benefits both agriculture and the citizens of the state  
10 by preserving its natural resources. Therefore, the Legislature declares that an amount equal to  
11 ~~thirty-five percent of the claimed refunds authorized by § 10-47B-119, not to exceed~~ one million  
12 five hundred thousand dollars in any single fiscal year, represents the amount of unclaimed tax  
13 refunds from the sale of motor fuel tax for nonhighway agricultural uses. The Legislature further  
14 declares that it is the policy of this state to use ~~these funds, representing the unclaimed tax~~



1 ~~refunds from the sale of motor fuel for nonhighway agricultural purposes, the amount of one~~  
2 ~~million five hundred thousand dollars in any single fiscal year~~ to implement the Coordinated  
3 Soil and Water Conservation Program.

4 Section 2. That § 10-47B-149 be amended to read as follows:

5 10-47B-149. At the beginning of each month, the secretary shall make adjustments to the  
6 motor fuel tax fund balance in the following manner:

- 7 (1) Each July transfer an amount to the snowmobile trails' fund equal to the product of  
8 multiplying the number of licensed snowmobiles as of July first, times one hundred  
9 twenty-five gallons, times the rate of tax provided for motor fuel under this chapter;
- 10 (2) Transfer to the motor fuel tax refund fund an amount to pay motor fuel tax refunds  
11 for the current month;
- 12 (3) Transfer to the motor fuel tax administration account two percent of the deposits  
13 made to the motor fuel tax fund during the preceding month to cover the expenses  
14 incurred in administering all motor fuel and special fuel tax laws of this state. On or  
15 about August first of each year, the preceding year's remaining motor fuel tax  
16 administration account balance, less an amount to provide cash flow within the  
17 account, shall be transferred to the state highway fund. The remaining balance is to  
18 be calculated by subtracting from the total of monthly deposits, the amount of  
19 corresponding expenses. The expense of administering the chapters relating to motor  
20 and special fuel taxation shall be paid out of appropriations made by the Legislature;
- 21 (4) Transfer funds to the coordinated soil and water conservation fund so that an amount  
22 equal to ~~thirty-five percent of the claimed refunds authorized by § 10-47B-119 for~~  
23 ~~the preceding month, not to exceed~~ a cumulative total of one million five hundred  
24 thousand dollars is transferred in any single fiscal year;

- 1       (5)    Each July transfer to the parks and recreation fund an amount equal to the product of  
2            multiplying the number of licensed motorized boats as of the previous December  
3            thirty-first, times one hundred forty gallons, times the rate of tax provided for motor  
4            fuels under this chapter;
- 5       (6)    Transfer to the member jurisdictions taxes collected under the provisions of the  
6            international fuel tax agreement; and
- 7       (7)    Transfer the remaining cash balance to the state highway fund.

8       Section 3. That § 38-7-26 be amended to read as follows:

9       38-7-26. The coordinated soil and water conservation fund shall consist of money  
10      transferred from the unclaimed tax refunds from the sale of motor fuel for nonhighway  
11      agricultural uses in the motor fuel tax fund as provided in ~~§ 10-47A-11~~ § 10-47B-149, and all  
12      public and private sources including legislative appropriations or federal grants.